

ग्रसाधार्ग

EXTRAORDINARY

भाग I—खण्ड 1

PART I—Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

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नई दिल्ली, योजबार, ज्याहै 8, 1968/ब्रावाह 17, 1890

TO. ESS

NEW DELHI, MONDAY, JULY 8, 1968/ASADHA 17, 1890

इप भाग में भिन्न पष्ठ बंख्या दी जानी है जिसमें कि यह भागम संकलन के रूप में रजा जा सके।

Separate paging is given to this Part in order that it may be filed as a separate compilation

MINISTRY OF COMMERCE

PUBLIC NOTICE

IMPORT TRADE CONTROL

New Delhi, the 8th July 1968

Subject —Conditions for licensing of Public/Private Sector imports under the third Danish Credit, 1968.

No. 135-ITC(PN)/68.—The conditions governing the issuance of import licences under the third Danish Credit, 1968 as given in Appendices I & II to this Public Notice are notified for the information of the trade.

APPENDIX I

CONDITIONS FOR LICENSING PUBLIC SECTOR IMPORTS UNDER THE THIRD DANISH CREDIT, 1968

1. Firm orders on C & F basis must be placed on the Danish supplier within three months from the date of issue of the Import Licence. If orders could not be placed within three months, the licence should be submitted for revalidation during the fourth month giving the reasons for the delay in placing orders and indicating the date by which orders would be placed. Such requests will be considered on merits by the Chief Controller of Imports & Exports in consultation

with the Ministry of Finance, (Department of Economic Affairs). The importers who are able to complete placement of orders within the three months period stipulated above can, however, seek suitable extension in the validity of their licences, based on the delivery schedules given in the contracts if such contracts have been approved by the Government. Extensions in such cases can be given by the licensing authorities without consulting the Ministry of Finance, Department of Economic Affairs.

- 2. The contract of supply between the Indian Importer and the Danish Supplier is subject to the approval of the Governments of India and Denmark for being financed under the Third Danish Credit arrangements. Importers should take special care to inform the suppliers about this condition and also incorporate a clause to this effect in the supply contract. It should be ensured that the equipments or stores being imported have been manufactured in Denmark. The minimum value of a contract to be eligible for financing under this credit is Danish Kroner 50,000 in respect of capital equipment and components and Danish Kroner 25,000 in respect of spares. Moreover, orders once approved will not be cancelled without prior concurrence of the Department of Economic Affairs.
- 3. The value of the contract should be expressed in Danish Kroners, calculated at the International Monetary Fund parity rate. The contract should normally provide for payment on cash basis i.e. on presentation of shipping documents. In the case of equipment with an extended delivery period initial payment may also be made to the supplier. For any customary performance guarantee, where required a small amount subject to about 10 per cent of the contract value could be withheld or the supplier could furnish a bank guarantee for the purpose.
- 4 Four copies of the contract, when concluded, should be furnished by the Importer to the Ministry of Finance, Department of Economic Affairs, Europe II Section, New Delhi. The following information should also be sent to the Department of Economic Affairs along with the copies of the contract:—

(I)	Name	&r	address	of	the	Indian	Importer
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- (ii) Name and address of the Danish Supplier.....
- (iii) Value of the contract in
 - (a) Danish Kroner....
 - (b) Rupees......
- (iv) Short description of goods to be imported.....
- (v) A schedule indicating possible dates and amount of payment to the supplier may also be given. The delivery period may be indicated as so many months from the date of approval of the contract by the Danish authorities. Since the processing of the contract till it is approved by both the Governments takes some time, precise dates of delivery indicated in the contract might lapse necessitating fresh delivery period being indicated before payment is authorised.
- (vi) Details of shipping documents which the Denmarks National Bank should demand from the suppliers before making payment, together with the number of copies of each document required..... (A copy each of the invoice and the bill of Lading will be required by the Ministry of Finince for their use).
- (vii) Branch of the State Bank of India to which the original documents (negotiable) should be sent by the Denmarks National Bank.
- (vili) Date upto which the letter of authority to the Denmarks National Bank should be made valid.
- 5. The payments to the Danish Supplier under the contract will be made by the Denmarks National Bank on the strength of a letter of authority (in the form at Annexure-1) which will be issued by the Ministry of Finance, Department of Economic Affeirs on the basis of the information furnished vide para 4 above. All payments and deliveries under this contract must be finalised before the 31st December, 1970 after which no payments will be allowed.

6. On receipt of the copies of the contract, and the information required in paragraph 4 above, the Department of Economic Affairs will approach the Danish authorities through the Indian Embassy in Denmark, for approval to the contract being financed under the Taird Danish Credit. The letter of Authority to the Denmarks National Bank will be issued only after the approval of the Danish authorities has been received.

- 7. The Denmarks National Bank may be charging incidentals to cover expenses incurred on postage and cables, etc. All these charges will be recoverable from the Importers.
- 8. The importers will have to deposit the rupee equivalent of the payments made to the Suppliers in Danish Kroners by the Denmarks National Bank together with postal and other expenses incurred by the Bank. For this purpose, the Danish Kroners will be converted at the rate of Danish Kroner 1-Rs. 1.01. Any revision in the rate of exchange will be advised to the Importers/the branch of the State Bank of India by the Department of Economic Affairs as and when it takes place. They will also be required to deposit interest at the rate of six per cent per annum on the amount paid to the suppliers from the date of disbursement by the Denmarks National Bank to the actual date of deposit of the amount in the State Bank of India and its branches.

In the case of Public Sector Undertakings, the moneys specified in paragraph 8 above will be deposited at the branch of the State Bank of India specified by the Importers vide sub-clause (vii) of clause 4 under the head of Account—"T—Deposits and Advances Part II. Deposits not bearing interest—(C) Other deposit Accounts—Departmental and Judicial Deposits—Civil Deposits—Deposits for purchases abroad—Purchases under Credits/Loan Agreements—Deposits for cost of equipment, etc. obtained under the Third Danish Credit 1968. The documents will be released by the Bank only after the money is deposited in Government Account.

The advice of these deposits should be sent to the Accountant General, Central Revenues, New Delhi and Senior Accounts Officer, Ministry of Finance, Department of Economic Affairs, Economic Aid (Accounts) Branch, New Delhi.

In the case of imports by the Departments of Central/State Governments the debits for the rupee equivalents will be raised against the Accounts Officer concerned by Accountant General, Central Revenues on the basis of advices issued by the Department of Economic Affairs—Economic Aid Accounts Branch

Note.—No letter of credit or remittances from India will be permitted against this Import Licence towards the cost and/or freight of the goods to be imported.

Annexure I to Appendix I to Public Notice No. 135-ITE(PN)/68, dated 8th July, 1968.

No.

GOVERNMENT OF INDIA MINISTRY OF FINANCE (Department of Economic Affairs)

New Delhi, the

To

The Danmarks National Bank, COPENHAGEN.

Dear Sir.

THIRD DANISH-INDIAN CREDIT AGREEMENT OF 29TH APRIL 1968—LETTER OF AUTHORITY NO.

In accordance with the terms and conditions of the above Credit Agreement, we hereby authorise you irrevocably to pay an amount of

Dallion 121 One 2	
against the delivery of the following documents:—	
Invoicecopies	
Bill of Ladingcoples	
Insurance Policy, if anycopies,	eto

covering the import of	. against	
Contract No	approved by the	Danish
Ministry of Foreign Affairs on		
		11 1

- 2. After payment, the original set of the above documents may kindly be forwarded direct to the (Name of the Indian Bank).
- 3. The amount paid plus your charges, if any, may be debited to our Account with you designated "Government of India Third Special Account" and necessary debit advice (in duplicate) alongwith one set of documents forwarded to the Ministry of Finance Department of Economic Affairs, Economic Ald Accounts Branch, New Delhi.
- 4. One copy each of the above debit advices including the bank charges, if any, may also be sent to the Importer in India.

5. T	nis	authority	will	remain	valid	upto	theday	οſ

Yours faithfully,

Deputy/Under Secretary to the Govt. of India.

APPENDIX II

CONDITIONS FOR LICENSING PRIVATE SECTOR IMPORTS UNDER THE THIRD DANISH CREDIT, 1968

- 1. Firm orders on C.I.F./C&F basis must be placed on the Danish supplier within three months from the date of issue of the Import Licence. If orders could not be placed within three months, the licence should be submitted for revalidation during the fourth month giving the reasons for the delay in placing orders and indicating the date by which orders would be placed. Such requests will be considered on merits by the Chief Controller of Imports & Exports in consultation with the Ministry of Finance, (Department of Economic Affairs). The importers who are able to complete placement of orders within the three months period stipulated above can, however, seek suitable extension in the validity of their licences, based on the delivery schedules given in the contracts if such contracts have been approved by the Government. Extensions in such cases can be given by the licensing authorities without consulting the Ministry of Finance, Department of Economic Aflairs.
- 2. The contract of supply between the Indian Importer and the Danish Supplier is subject to the approval of the Governments of India and Denmark for being financed under the Third Danish Credit arrangements. Importers should take special care to inform the suppliers about this condition and also incorporate a clause to this effect in the supply contract. It should be ensured that the equipments or stores being imported have been manufactured in Denmark. The minimum value of a contract to be eligible for financing under this credit is Danish Kroner 50,000 in respect of capital equipment and components and Danish Kroner 25,000 in respect of spares. Moreover, orders once approved will not be cancelled without prior concurrence of the Department of Economic Affairs.
- 3. The value of the contract should be expressed in Danish Kroners, calculated at the International Monetary Fund parity rate. The contract should normally provide for payment on cash basis i.e. on presentation of shipping documents. In the case of equipment with an extended delivery period, initial payment may also be made to the supplier. For any customary performance guarantee, where required, a small amount subject to about 10% of the contract value could be withheld or the supplier could furnish a bank guarantee for the purpose.
- 4. Four copies of the contract, when concluded, should be furnished by the Importer to the Ministry of Finance, Department of Economic Affairs. Europe II Section, New Delhi. The following information should also be sent to the Department of Economic Affairs along with the copies of the contract:—
 - (i) Details of the Import Licence-
 - (a) Number
 - (b) Date of issue....

(c) Period of validity	
(d) Value	
(ii) Name & address of the Indian Importer	*
(iii) Name and address of the Danish Supplier	
	received the second section
(iv) Value of the contract in	
(a) Danish Kroner	
(b) Rupees	
(v) Short description of goods to be imported	
(vi) A schedule indicating possible dates and amount:	s of payment to the

- (vi) A schedule indicating possible dates and amounts of payment to the supplier may also be given. The delivery period may be indicated as so many months from the date of approval of the contract by the Danish authorities. Since the processing of the contract till it is approved by both the Governments take some time, precise dates of delivery indicated in the contract might lapse necessitating fresh delivery period being indicated before payment is authorised.
- (viii) Indian Agents' commission, if any, included in the contract......
- 5. The payments to the Danish Supplier under the contract will be made by the Denmarks National Bank on the strength of a letter of authority (in the form at Annexure-I) which will be issued by the Ministry of Finance, Department of Economic Affairs on the basis of the information furnished vide para 4 above and after the receipt of bank guarantee contemplated in para 9 hereof. All payments and deliveries under this contract must be finalised well before the 31st December 1970 after which no payments will be allowed.
- 6. On receipt of the copies of the contract, and the information required in paragraph 4 above, the Department of Economic Affairs will approach the Danish authorities through the Indian Embassy in Denmark, for approval to the contract being financed under the Third Danish Credit The letter of Authority to the Denmarks National Bank will be issued only after the approval of the Danish authorities has been received.
- 7. The Denmarks National Bank may be charging incidentals to cover expenses incurred on postage and cables, etc. All these charges will be recoverable from the Importers.
 - 8. The importers will have to deposit:—
 - (i) the rupee equivalent of the payments to the suppliers in Danish Kroners and the charges indicated in para 7 above, at the rate of One Danish Kroner—Rs. 1.01 Indian Rupees. Any revision in the rate of exchange will be advised to the Importers/their bankers by the Department of Economic Allairs as and when it takes place.
 - (ii) Interest at the rate of six per cent per annum between the date of actual payment to the supplier by the Denmarks National Bank and the date of actual deposit of the rupee equivalent in the State Bank of India, Delhi or Reserve Bank of India, New Delhi.
- 9. The importers will be required to furnish a bank guarantee from an approved scheduled bank in the form attached (Annexure-II) agreeing to deposit the amounts specified in paragraphs 7 & 8 above.

The foot note under the Bank Guarantee form should be noted for strict compliance.

Note I.—The moneys specified in paragraphs 7 and 8 above shall be deposited with the State Bank of India, Delhi, or the Reserve Bank of India, New Delhi or remitted by means of a demand draft drawn in favour of the Accountant-General Central Revenues, New Delhi-1 on the State Bank of India, New Delhi for credit to the Central Government account under the head of account—

"T--Deposits and Advances—Part II. Deposits not bearing interest—(C)
Other deposit Accounts—Departmental and Judicial Deposits—Civil
Deposits—Deposits for purchases abroad—Purchases under Credits/
Loan Agreements—Deposits for cost of equipment, etc., obtained under
the Third Danish Credit. 1968."

NOTE II.—No Letter of Credit can be opened or remittances made from India against this Import Licence towards the cost and/or freight of the goods to be imported

Annexure I to Appendir II to Public Notice No. 135-ITC(PN)/68, dated 8-7-1968

No.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(Department of Economic Affairs)

New Delhi, the

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The Denmarks National Bank, COPENMAGEN.

Dear Sirs,

Branch, New Delhi.

THIRD DANISH—INDIAN CREDIT AGREEMENT OF 29TH APRIL 1968— LETTER OF AUTHORITY NO.

In accordance with the terms and conditions of the above Credit Agreement we hereby authorise you irrevocably to pay an amount of

We notedly administration for interest with
Danish Kroners
to
against the delivery of the following documents:-
Invoice copies
Bill of Lading copies
Insurance Policy, if any copies, etc.
covering the import of against Contract No approved by the Danish Ministry of Foreign Affairs on
2. After payment, the original set of the above documents may kindly be forwarded direct to the (Name of the Indian Bank)
3. The amount paid plus your charges, if any, may be debited to our Account with you designated "Government of India Third Special Account" and necessary debit advice (in duplicate) along with one set of documents forwarded to the Ministry of Finance, Department of Economic Affairs, Economic Aid Accounts

- 4. One copy each of the above debit advices including the bank charges if any, may also be sent to the Importer in India
 - 5. This authority will remain valid upto the day of

Yours faithfully,

Deputy/Under Secretary to the Government of India.

Annexure II to Appendix II to Public Notice No. 135-ITC(PN)/68 dated 8-7-1968 GUARANTEE BOND

(To be furnished by Banks under the procedure for the import of goods under the Third Danish Credit, 1968).

To

The President of India,

- 3. We Bank Ltd further agree that in case of increase in the value of import or increase in the value of unfuffilled deliverles under the contract as a result of change in the composite rate of exchange mentioned in para 1 above, the amount of this auarantee bold will be adjusted as on the date when the change takes place in proportion to this change.
- 4. We Bank Ltd., further agree that the marardee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said agreement/contract and that it shall continue to be enforceable till all the dues to the Government under or by virtue of this guarantee have been fully paid and its claims satisfied or discharged.
- 5 The guarantee herein contained shall not be affected by any change in the constitution of the Importer or the ... Bank Ltd, and the Government shall have the fullest liberty without affecting the guarantee to postpone for any time and from time to time any of the powers exerciseable by it against the Importer and either to enforce payment by the Importer of any of the amounts the payment whereof is intended to be hereby secured and the Bank Ltd., shall not be released from its liability under this guarantee by any exercise by the Government of the liberty with reference to the matters of resaid of by reaso s of time being given to the Importer or any other forbearance, act or omission on the part of the Government or any indulgence by the Government to the Importer or by any nor to the poversion must be effect of so releasing the ... Bank Ltd. from its such liability.

Signature

6. We Bank Ltd., undertake not to revoke this guarantee during its currency except with previous consent of the Government in writing.
7. Our liability under this guarantee is restricted to
Dated the day of
For Bank Ltd.
Accepted for and on behalf of the President of India by Shri
(Name & designation)

*This date shall be arrived at by adding one month to the date by which all payments to the Suppliers are expected to be finalised.

Note.—The value of the stamped paper on which this guarantee is to be executed is to be adjudicated by the Collector of Stamps.

P. D. KASBEKAR, Chief Controller of Imports & Exports